

**VETERANS AFFAIRS, IOWA DEPARTMENT OF[801]**

**Adopted and Filed**

**Rule making related to veterans trust fund**

The Iowa Department of Veterans Affairs hereby amends Chapter 14, “Veterans Trust Fund,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 35A.13.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 35A.13.

*Purpose and Summary*

This rule making amends Chapter 14 so the rules for the Veterans Trust Fund are not as restrictive to veterans, their spouses and their dependents.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on May 5, 2021, as **ARC 5592C**. An informal hearing was held on June 8, 2021. No one attended the hearing. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Department on June 10, 2021.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on September 1, 2021.

The following rule-making actions are adopted:

ITEM 1. Amend rule 801—14.2(35A) as follows:

**801—14.2(35A) Definition.** For purposes of this chapter, “veteran” means the same as defined in Iowa Code section 35.1, ~~or~~ and federal VA regulations; a resident of Iowa who served in the armed forces of the United States, completed a minimum aggregate of 90 days of active federal service, other than training, and was discharged under honorable conditions; or a former member of the national guard, reserve, or regular component of the armed forces of the United States who was honorably discharged due to injuries incurred while on active federal service that precluded completion of a minimum aggregate of 90 days of active federal service, other than training.

ITEM 2. Amend subrules 14.3(1) and 14.3(2) as follows:

**14.3(1) Income.** For the purposes of this chapter, an applicant’s household income, including VA pension benefits, service-connected disability income, and social security income, shall not exceed ~~200~~ 300 percent of the federal poverty guidelines for the number of family members living in the primary residence in effect on the date the application is received by the county director of veterans affairs. Federal poverty guidelines shall be those guidelines established by the Iowa department of human services for the veteran’s family size. The commission shall adjust the guidelines on July 1 of each year to reflect the most recent federal poverty guidelines. The commission may waive the income threshold if all income is from a fixed source and all other sources of assistance have been exhausted.

**14.3(2) Resources.** ~~The department may not pay benefits under this chapter if the available liquid assets of the veteran are in excess of \$15,000.~~ For the purposes of this chapter, “available liquid assets” means cash on hand, cash in a checking or savings account, stocks, bonds, certificates of deposit, treasury bills, money market funds and other liquid investments owned individually or jointly by the applicant and the applicant’s spouse, unless the applicant and spouse are separated or are in the process of obtaining a divorce, but does not include funds deposited in IRAs, Keogh plans or deferred compensation plans, unless the veteran is eligible to withdraw such funds without incurring a penalty. Cash surrender value of life insurance policies, real property, established burial account, or a personal vehicle shall not be included as available liquid assets.

ITEM 3. Amend subrule 14.4(1) as follows:

**14.4(1) Travel expenses for wounded veterans, ~~and~~ their spouses and their dependents, directly related to ~~follow-up~~ medical care.** Travel expenses under this subrule include the unreimbursed cost of airfare, lodging, and a per diem of ~~\$25~~ \$50 per day for required ~~out-of-state medical travel that exceeds 125 miles~~ medical appointments from the veteran’s home. Spouses may be reimbursed for in-state lodging and a per diem of ~~\$25~~ \$50 per day when visiting a veteran who is in a hospital for medical care related to ~~a service-connected~~ an injury or disability. ~~The distance from the veteran’s home to the hospital must exceed 100 miles.~~ The veteran or the veteran’s spouse shall provide such evidence as the commission may require, which includes but is not limited to evidence the injury or disability is service-connected, the necessity of treatment in a particular facility, and documentation of expenses. The maximum amount for ~~lodging~~ travel expense reimbursement shall be \$90. The maximum amount of aid payable in a consecutive 12-month period under this subrule is \$1,000. ~~The commission may waive the income threshold for this benefit.~~

ITEM 4. Amend paragraph **14.4(2)“a,”** introductory paragraph, as follows:

*a.* The commission may pay a veteran not more than ~~\$3,000~~ \$5,000 for retraining or postsecondary education and Internet connection to enable the veteran to obtain gainful employment. The commission may provide aid under this subrule if all of the following apply:

ITEM 5. Amend subparagraph **14.4(2)“a”(4)** as follows:

(4) The veteran requesting aid has not received full reimbursement or payment from any other retraining or education scholarship programs and the veteran does not have other assets or income available to meet retraining or initial training expenses. Applicants requesting aid under this subrule will only be granted the unpaid portion of their tuition statement, and ~~the payment~~ a monthly Internet invoice. Payments will be made directly to the institution and Internet provider.

ITEM 6. Amend subrule 14.4(3) as follows:

**14.4(3)** *Unemployment or underemployment assistance during a period of unemployment or underemployment due to prolonged physical or mental illness resulting from military service or disability resulting from military service (must be physically and mentally able to return to work).* The commission may provide subsistence payments only to a veteran who has suffered a loss of income due to prolonged physical or mental illness resulting from military service or disability resulting from military service. The commission may provide subsistence payments of up to \$500 per month of unemployment or underemployment to a veteran. A veteran must provide documentation of assistance from Iowa workforce development and vocational rehabilitation, if eligible. No payment may be made under this subrule if the veteran has other assets or income available to meet basic subsistence needs. A period of unemployment implies that it is possible for the veteran to be employed in the future. A rating from the VA of 100 percent due to individual unemployability (IU) rated permanent and total indicates that a veteran is unemployable and will not qualify for assistance under this subrule. The veteran shall provide such evidence as the commission may require, which includes but is not limited to evidence ~~that the mental illness or disability is service-connected and evidence that the veteran is unemployed or underemployed for the period of payments.~~ To qualify as underemployed, the applicant must be currently working at an income that is below 150 percent of federal poverty guidelines ~~due to limitations caused by the applicant's service-connected disability or illness.~~ The maximum amount of aid payable in a consecutive 12-month period under this subrule is \$3,000 and a lifetime maximum of \$6,000.

ITEM 7. Amend paragraphs **14.4(4)“b”** and **“c”** as follows:

*b.* The maximum amount that may be paid under this subrule for any consecutive 12-month period may not exceed \$10,000 for dental care, \$500 for vision care, \$1,500 per ear for hearing care, and \$1,500 for prescription drugs and prescribed over-the-counter drugs. Lifetime maximum benefit: \$10,000 per eligible family member.

*c.* The commission shall not provide health care aid under this subrule unless the aid recipient's health care provider agrees to accept, as full payment for the health care provided, the amount of the payment; the amount of the recipient's health insurance or other third-party payments, if any; and the amount that the commission determines the veteran is capable of paying. Payment under this subrule will be provided directly to the health care provider. ~~The commission shall not pay health care aid under this subrule if the available liquid assets of the veteran are in excess of \$15,000.~~

ITEM 8. Amend paragraph **14.4(5)“c”** as follows:

*c.* Assistance under this subrule cannot duplicate assistance from other entities, and the maximum amount that may be paid may not exceed ~~\$2,500~~ \$5,000.

ITEM 9. Rescind paragraph **14.4(5)“d.”**

ITEM 10. Amend paragraph **14.4(6)“d”** as follows:

*d.* The commission may provide up to \$150 per hour and \$75 per half-hour for outpatient counseling visits to providers who will accept as full payment for the counseling services the amount provided. Counseling and substance abuse services provided in a group setting may be paid up to \$40 per hour. Counseling and substance abuse services may also be provided in an inpatient setting, subject to the maximum amount eligible under paragraph 14.4(6)“f.”

ITEM 11. Amend paragraph **14.4(6)“f”** as follows:

*f.* The commission may not provide counseling under this subrule unless the aid recipient's counseling service provider agrees to accept, as full payment for the counseling services provided, the amount of the payment; the amount of the recipient's health insurance or other third-party payments, if any; and the amount that the commission determines the veteran is capable of paying. The commission will make payment directly to the entity providing counseling and substance abuse services. ~~The commission shall not pay for counseling under this subrule if the available liquid assets of the veteran are in excess of \$15,000.~~

ITEM 12. Amend paragraph **14.4(7)“c”** as follows:

*c.* The maximum amount that may be paid under this subrule may not exceed ~~\$7,500~~ \$10,000.

ITEM 13. Amend subrule 14.4(8) as follows:

**14.4(8)** *Emergency expenses related to vehicle repair or a one-time replacement vehicle, housing repair, or temporary housing assistance.*

a. No change.

b. Assistance for vehicle repair is limited to expenses that are required for continued use of the vehicle. This assistance will only be granted in cases where the vehicle is needed for travel to and from work-related activities, the applicant is over the age of 65, or substantial hardship will occur if the vehicle is not repaired. Assistance may be provided in situations where the applicant does not have sufficient means to pay an insurance deductible. Assistance may be paid directly to the entity performing the maintenance or the insurance company owed the deductible. In certain circumstances, reimbursement may be made to the veteran or to the unremarried spouse of a deceased veteran in order for the vehicle to be released from the entity providing the service. Assistance will not be provided for damage caused during the commission of a crime, for cosmetic needs, for damage resulting in an auto accident when automobile insurance has not been purchased, or for routine maintenance. Vehicle replacement is a one-time use not exceeding \$5,000.

c. and d. No change.

e. The maximum amount that may be paid under this subrule for any consecutive 12-month period may not exceed \$2,500 for vehicle repair, \$3,000 for housing repair, and \$1,000 for transitional housing. Lifetime maximum benefit for housing repair and vehicle repair: \$10,000 each.

~~f. The commission shall not pay a reimbursement under this subrule if the available liquid assets of the veteran are in excess of \$15,000.~~

[Filed 7/8/21, effective 9/1/21]

[Published 7/28/21]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 7/28/21.